

By Kelsey Volkmann, St. Louis Business Journal
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Rep. Russ Carnahan, D-Mo., visited McMahon Ford in St. Louis on Tuesday to continue his push for additional money for the "cash for clunkers" program.

The \$1 billion program gives as much as \$4,500 to consumers who trade in gas guzzlers for more fuel-efficient vehicles.

Carnahan, along with other House lawmakers, voted last week to allocate an additional \$2 billion to the program before it runs out of money this weekend after its first week, but the Senate has yet to pass the extension.

Republicans have blasted the program and the proposed extension as out-of-control spending.

McMahon Ford sold 77 cars last month, 51 of which were sold in the last week of July, said John Schicker, general manager. The dealership typically sells about 50 vehicles for the whole month of July, he said.

About half of the July sales at McMahon Ford were through the cash for clunkers program. Many of the remaining buyers were lured in by the program but found their vehicles were worth more than the program offers or got more than the 18 miles per gallon stipulated by the program, according to Schicker.

"It definitely brought some people in," he said. "We have sold a lot of our inventory. (The manufacturer is) going to have to build us new cars."

Dealers throughout Missouri are reporting an increase in customer traffic and sales and hope that the Senate comes through with the extension because they want to continue moving vehicles off their lots, said Sam Barbee, president and chief executive of the Missouri Automobile Dealers Association

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Still, “this is not a huge money-maker for the dealers,” he said. “You can’t make any money on the vehicle being traded in. But it’s a great deal for consumers.”

As of Tuesday morning, the program recorded 157,000 transactions nationwide worth \$664 million.

Ford Motor Co. said Monday sales increased 2 percent in July compared with a year ago, its first year-over-year gain since November 2007.

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